

Signify Innovations India Limited

Transcript of the 7th AGM held through VC/OAVM on 23rd September, 2022

Nitin Mittal: So, good morning and welcome all to the seventh Annual General Meeting of Signify Innovations India which is being held through VC and other audio visual means. Members who advised and recommended to join the meeting to devices such as laptops or desktops for better experience and have stable Wi Fi or land connection to avoid any technical disturbances for smooth conduct of the meeting, audio facility of only those members who have registered themselves to share the view ask questions would be unmuted. Further the transcript of the meeting shall be made available on the website of the company as soon as possible after the conclusion of the meeting. I understand from representative of K Fin technologies that we have sufficient members to constitute the quorum. Now I request a chairman, Mr. Mahesh Iyer to proceed with the meeting.

Mahesh Iyer: Good morning, ladies and gentlemen, I have pleasure in welcoming all of you to the seventh general meeting of the company. I would like to take this opportunity to thank you for your continued support and presence here today. I must share that all efforts feasible under the current circumstances have been made by the company to ensure effective participation by the members of the company and for voting on the items set out in the notice. I quorum I have been informed that the requisite quorum as per Companies Act 2013. Being present, I declared the meeting as validly convened. Let me first introduce to you the directors who are attending the AGM through the video chat and OABM. Mr. Vinayak Deshpande, independent director and Chairman of the stakeholders relationship Committee, Mr. Vikas Malhotra being the whole time director of the company. Mr. Sumit Padmakar Joshi being the vice chairman, Managing Director and CEO for the company. And Ms. Sangeeta pendurkar, independent director of the company has expressed her inability to attend the meeting due to a pressing urgent engagement. Mr. Amit Yadav partner, S.R. Batliboi & company LLP Statutory auditors of the company are also proceed with the meeting. I also represent myself as the chairman of the audit committee of the board. May I now request Sumit to say a few words about the business of the company.

Sumit Padmakar Joshi: Thank you, Chairman. And dear shareowners. A very good morning to each and every one of you. It gives me great pleasure to welcome you to seventh Annual General Meeting of Signify Innovations India Limited. Like the previous two years this AGM to is being hosted on a digital platform, which enables more shareholders to participate the AGM, however, I missed the warmth and friendliness of our personal interactions. I sincerely hope next year, we will be able to switch to a hybrid mode which will combine the best of both physical and digital modes. One month ago, we celebrated Azadi ka Amrit Mahotsav the 75th anniversary of India's independence. Our visionary Prime Minister Shri Narendra Modi ji delivered most inspiring speech on 15th of August. He has given us a clear roadmap to make the next 25 years the most transformational period in the history of our country by providing energy efficient products at the most affordable prices. As an industry, we have a big role to play in ensuring the sustainable growth of our country. I'm also heartened by the small role we were able to play during the Independence Day by lighting up the nations in our tricolours Whether it was our tricolour LED strips, Downing Street lights across India are our facade light that illuminated all our iconic monuments. The last financial year began on a muted note as the entire country was diseased by COVID-19 pandemic in April 2021. It was a very tough period for all of us and the unprecedented crisis took a severe toll

on lives and economic activity. It's heartening to see that the world has now almost overcome the COVID 19 pandemic as the Indian economy regained momentum in the second half of the year. Your company also witnessed the growth in demand for both consumer and professional lighting, revival of new home construction and reopening of most offices and industries, buoyed the overall sentiment for the lighting industry. However, the global supply chain issues and component unavailability affected our ability to meet this high demand. By swiftly taking multiple mitigating actions and simultaneously managing our prices to offset the structural part of inflation, we managed to grow our pipeline and improve our profitability. All of these demonstrate that the fundamentals of our business are stronger than ever driven by the ever growing need for energy efficient and digital lighting technologies. Let me talk about the business and financial performance. The LED transformation of the of our company continues. LED products now constitute 82% of our total sales revenue. Despite a difficult start of the year and global component shortages, we managed to increase our market share from 19.4% in FY 21 to 20.3%. In FY 22. Our consumer lighting business delivered a healthy 19.8% growth over last year, owing to the pent up demand in the market and revival of new home construction across India. We also introduced several new innovative products such as Philips exotic exhaust style downlights, India's first Exergen shaped LED downlight and Philips motion sensor. We also entered the fans category for the first time with our equaling brand, expanding our portfolio beyond lighting and switches. As most offices and industries restarted their operations, our professional lighting solutions business also witnessed revival this year and delivered a growth of 14%. We also grew our Connected lighting points installed base by winning prestigious sports lighting projects such as Arun Jaitley Stadium in Delhi, Baroda Cricket Stadium. In addition to other significant projects like JCB, Metro Rail NHAI, among many others we continue to make the world a safer place with our UVGI systems that are installed in our buildings HVAC system, and constantly purify the indoor air. Our home lighting business also registered a healthy growth on account of new home construction picking up across India. To talk to tap into this growing opportunity we expanded our Philips smart hubs network 225 stores across the country. And also added are switches and 3d printed luminaires to portfolio in the stores. While conventional lighting still remains a substantial segment, it is steadily declining, owing to the growing penetration of LED lighting. Our conventional lamps business witnessed expected the growth of 8.2% but we remain market leader and now supply conventional products to most of the other lighting players in the country as part of our last man standing strategy. On sustainability It is integral to our company's strategy that our growth must not be at the expense of the Earth but to its benefit. Our strategy identifies five domains for innovative and sustainable growth contributing to climate action, contributing to circular economy, increasing food availability, enhancing safety and security and improving health and well being. Our ambitious sustainability programme brighter lives better world 2025 builds on our 2020 achievement of carbon neutrality in our operations. Through this programme, we will amplify our positive impact by enabling our customers and suppliers to become more sustainable and proud to say that we are on track to meet our commitments to double our positive impact on the environment and society by end of 2025. Our CSR initiatives our commitment to the society. As a socially responsible company, we remain committed to enabling under served communities to get access to the benefit of sustainable lighting. To fulfil this mission, we partnered with numerous social impact organisations to provide clean technology based lighting systems to homes, communal spaces, and institutions empowering communities to be safer, active and economically productive after sunset. Last year, we positively impacted more than 3.3 million lives through our CSR programmes spread across the country. We eliminated 43 villages through solar based lighting donated 120 oxygen concentrators to public health institutions to mitigate the impact of pandemic and made 25 hospitals safer with our UVC air disinfection system. I would like to thank our shareholders, suppliers, customers for their consistent and resolute support. I thank

all my colleagues on the Board for their guidance in this crucial phase of our growth, their support, and immense engagement and encouragement. I have special words to acknowledge the collective efforts of the entire signify India team working tirelessly to create and sustain a winning organisation that will light up our country's future, quite literally. Thank you.

Mahesh Iyer: Thank you Sumit. Coming to the business of the meeting. The notice for this Annual General Meeting dated 29th June 2022 was emailed to the members and a public notice to that effect was also published in the newspapers with your permission I take the notice convening the meeting as read. The members may also note that the auditor's report on the financial statements of the company for the year ended 31st March 2022 did not have any qualifications, observations or comments of the auditors on the financial transactions are matters which have adverse effect on the functioning of the company. In view of the same and in accordance with provisions, section 145 of the Companies Act 2013. There is no need to read the auditor's report. I would like to also inform you that pursuant to the Companies Act 2013 Read with relevant clauses. The members had the opportunity to exercise their voting rights through remote E-voting for the items of business to be transacted at the AGM, and the material facts concerning each of the right date resolutions are given in the detail in the explanatory statement circulated with the notice convening this meeting. The business at this meeting includes three ordinary and five special businesses. The same are as follows ordinary business item number 1) To consider to receive consider and adopt the financial statements of the company for the financial year 31st March 2022, including the audited balance sheet as of 31st March 2022. The statement of profit and loss for the year ended on that date, and the reports of the auditors and directors there on. Ordinary business item number 2) To confirm the payment of the interim dividend of rupees 37.5 per equity share, ie 375% on the face value of the 10 rupees each for the financial year dated 31st March 2022. Item number 3) To appoint a director in place of Mr. Vikas Malhotra DIN 09253036 who retires by rotation and being eligible offers can self for reappointment. Special business item number 4) Revision in remuneration of Mr. Sumit Padmakar Joshi DIN 07018906. Special business number 5) Reappointment of Mr. Sumit Padmakar Joshi DIN 07018906 as the managing director of the company. Special item number 6) Revision in remuneration of Mr Vikas Malhotra DIN 09253036. I would now request Mr. Sumit Joshi to take up the next agenda item being myself interested therein.

Sumit Padmakar Joshi: Agenda item of special business number 7) Commission to the non executive and independent directors of the company. Now again, I would request Mr. Mahesh Iyer to take over the proceedings of the meeting.

Mahesh Iyer: Special Item number 8) Approval of remuneration of cost auditors. The remote E-voting facility was extended to all the members of the company as of September 17 2022, being the cutoff date. The remote E-voting was available from 9am Indian Standard Time on 19 September 2022 till 5pm Indian Standard Time on 22nd September 2022. The company has engaged K Fin technologies limited to provide the E-voting facility. We are also extending the facility of electronic voting to the members attending the meeting, who have not already cast their vote through remote E-voting. Members eligible to vote may exercise their right to cast their votes through E-voting system by following the same procedure as that of the remote E-voting. The E-voting system is available now. And it will remain open during the proceedings of this meeting and for 15 minutes after the conclusion of the meeting. Dr Aseem Chattopadhyay's practising company secretary is the scrutinizer for the remote E-voting, as well as for the electronic voting being provided the meeting. Members may give suggestions, seek clarifications, or ask questions, if any, on the agenda items set

out in the notice. I understand that members desirous of speaking here have already registered as speakers as per the procedure set by the company. With due respect to other speakers and time, I request that each speaker be brief and restrict their comments to three minutes and pertain to the agenda of the service.

Nitin Mittal: So we have the list of members who have registered to share the views. Thus the registered speakers would have ensured availability of the technical support as mentioned earlier during the meeting, including the device with camera webcam, webcam, along with good network to avoid any disruption while you participate in the meeting through the device. We would now request the registered speakers to come over once we call out your names to share your views or ask questions pertaining to the agenda of the notice. So moderator, I would now request you to take over and handle the speaker columns.

Moderator: Thank you sir. Now, I will call all the registered speakers one by one. The first registered speaker is Mr. Bharti Sharaf from Kolkata. I request Mr. Bharti Sharaf to unmute himself, Switch on your camera and proceed with the query sir.

Bharti Sharaf: नमस्कार। मैं video on कर रहा हूँ। हा मननिया अध्यक्ष ji, उपस्थित निदेशक सदस्य गण, और मेरे shareholder भैया और बेहनों। ये video conference का जो project है, मे Santosh Sharaf Bharati Sharaf joint holder Bangalore का रहने वाला आप सब को नमस्कार करता हूँ। आशा करता हूँ जितने भी हमारे Director है, जितने भी अधिकारी गण है, सब स्वस्थ और अच्छे से होंगे sir. Sir ज्यादा में समय नहीं लुंगा, 2 min के लिए समय लुंगा की आप टिन का बंधन दिया है मैं जानना चाहूंगा future में capex plan क्या है, आप इसके बारे में बताएगा sir और दुसरा ये है कि आपने काफी अच्छा दिया इसके लिए मैं धन्यवाद देता हूँ काफी अच्छा dividend आपने दिया 37.50 dividend दिया बहुत बहुत धन्यवाद इसके लिए और sir नया product बाज़ार में क्या introduce किया इसके बारे में बताइये sir. और sir अपने इसके बारे में बताइये जो अपने e-wastage निकलते हैं उसको disposal करने की क्या policy है आपकी, किस तरह dispose करते हो बताइये sir और sir CSR expenses, higher energy की audit करवाते हैं तो उसकी report बताने की चेस्टा करिएगा sir. Employee की सांख्या काफी कम है उसको बढ़ाने के लिए क्या कदम उठा रहे हैं sir बताने का चेस्टा करिएगा sir. Rain water harvesting के लिए, renewal energy के लिए आप क्या कदम उठा रहे हैं बताइये sir और use plastic के लिए क्या कदम उठा रहे हैं ये भी बताने का चेस्टा करिएगा sir और sir ये booster dose के लिए मैं request करूंगा जीतने भी कर्मचारी हैं ज़रूर ले ले. मुझे भी covid हुआ था 2 माहिने पहले, जब मैं booster dose ले चुका था. मैं घर की ordinary दवाई लेके ठिक हो गया. जित ने भी कर्मचारी हैं आप अपने परिवार को booster dose जरूर दिलवैए. Covid होगा इसका guarantee नहीं है, ये covid होगा तो सिद्धे आप अपनी घर की दवाई लेके ठिक हो जाओ इसकी मैं guarantee देता हूँ और जैसा हमारे chairman ने बताया के अगले साल hybrid meeting और physical meeting करेंगे तो काफी अच्छी, मैं banglore से हूँ तो bangalore से meeting attend कर रहा हूँ. एक chairman sir से बहुत request है sir इस बारे में की 3 company बहुत अच्छी नहीं मिली यहाँ पे Harinder Singh ji थे उनका phone number मेरे को भेज दी तो आपकी जो balance sheet है कम से कम उसमे email

id जरूर दिजिये. कंट वाले इटने busy होता है कोई reply नहीं होता. मैं हाथ जोड़ कर request Investor के लिए investor relation ID जरूर दिजिये जिस्मे अपनी भेजदे और ज्यादा समय नहीं लुंगा sir आपकी छत्रछाया में हमारी कंपनी काफी उन्नति कर रही है और हमे काफी अच्छा return मिल रहा है sir धन्यवाद. एक बार 1 minute आपकी और आपकी परिवार की लम्बी उमर की कामना करते हुए और हमारे जो moderator है वो भी काफी अच्छा उनके भी लम्बी उमर की कामना करते हुए भगवान से प्रार्थना करता हूँ भगवान 2022-23 आप सभी के लिए healthy, wealthy, safety के साथ ब्यहतिथ हो और हमारे कंपनी का अच्छा भाबिस्य हो . Next hybrid meeting में जरूर मिलेंगे.

Moderator: Thank you, sir. The next registered speaker is snake Muhannad currently is not available. The next speaker is Shripal . He's also not available at this point of time. The next speaker is Manoj Kumar Gupta. I request Mr. Manoj Kumar Gupta to unmute himself and switch on his camera and proceed with his query.

Manoj Kumar Gupta: Hello. Hello

Moderator: yes sir. Please proceed sir. We can hear you.

Manoj Kumar Gupta: Good morning. Respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I'm a equity shareholder of a Signify Innovations India Limited. So after three years I'm connecting in the AGM. I thank to the company secretary and his team that will help us to join this meeting. And we can take part. And sir I thanks to you for the good result of the company during these several challenges in the country and the global challenges even that COVID Russia Ukraine war, and you have paid a good dividend of 37 rupees 50 paisa in this deprived challenges. Several Indian and multinational companies are says that due to some global challenges and Russia-Ukraine war, COVID impact we are unable board is unable to recommend the dividend. But we are paid the 375% dividend and there's a good sign that you want to pay to the dividend to the shareholders. And, Sir, what's your future plan for next two to three years. And sir how you will just now our vice chairman As quoted some view of our beloved Prime Minister and our aggressive Prime Minister who has a vision and who has saved the country from COVID impact of 130 Crore pupils by giving the vaccine and by providing every help to the previous even that some lockdown was there but I totally support to our this government because this government has saved the nation. Otherwise, जिस country के जहाँ से हम निकले हैं, Netharland ये सब में वहाँ क्या हलात हुई. जो दुनिया को Ventilator supply करता था, वो घुटने पे था. वहाँ सड़क पे मारिज़ पे थे। Germany, America, France, वहाँ पे ये system था की Obsiconcenter नहीं थे। But हमारे देश के Prime Minister ने Bharat Electronics जैसी कंपनी में Ventilator बनये और भारत में supply किया और दुनिया को भी दीया तो उस देश में हम रहते हैं sir. How you will fulfil the vision of making India or Atma Nirbhar Bharat how you face the competition sir. Now when I go to the market, I find that every day new company has come and they your big competition is with Havelles and the Orient forget about Russia others but your big competition is with Havelles and orient. So how you face this challenge sir. And sir, now that your vice chairman had mentioned about the metro, now the wingspan Metro is spreading throughout the country. In Andhra Tamil Nadu Karnataka, Uttar Pradesh, Madhya Pradesh, Gujarat. So, how will you bid to get the order from the metro stations and the new airports are coming earlier before 2014 The 46 airports was there. Now the 1671 airports are there airports are increasing new railway stations are modernised railway stations are coming like as airports. So, you should also think about to spread your wings to

supply to delay airport and Metro Sir and sir earlier you were the leader in the hospital lights for the operation theatres, you have a come out from that business now the hospitals are increasing. So you should come forward because I must to hospital in Calcutta sir and I know your lights because आपकी जो light थी ना sir वो हमने 20 साल का use किया. when Mr. Cole was the director in Philips India, he has supply he has given us that light to our operation theatre just now in 2009 to 2021 we have replaced that ot light because the LED system has come for the OT. So, you should also think about to launch some operation theatre like like as makay a of Germany. Now the makay is becoming the leader in the OT lighting country. So you should also consider to launch some relaunch the OT light in the country on the brand of Signify.

Moderator: Mr. Manoj, please wrap up your question sir.

Manoj Kumar Gupta: Just a minute I will I'm talking now. And Sir how you face the competition in consumer and commercial? And sir, I believe that moderator will not disturb I'm raising the valid points and you will ask the moderator to not to answer how the investors will get returned and the how the investors will be rewarded in future. And sir think about the Calcutta Calcutta is your corporate journey. We started your corporate journey from Calcutta. Think about some CSR fund for Calcutta to sanction some CSR funds for Calcutta sir. last but List sir best wishes and greetings to each one of you for happy Navaratri and Diwali and sir I believe that when the MD will come to Calcutta, we can meet him. Thank you.

Moderator: Thank you sir. The next registered speaker is Mr. Puneet Kumar. I request Mr. Puneet Kumar to unmute himself switch on his camera and proceed with the study.

Puneet Kumar: Give me a second the cameras looking should join. My name is Puneet. I'm from Delhi. This question is for Mr. Mahesh Iyer, and three observations and one question in the end. Observation number one Mr. Sumit is a very impressive leader brilliant communicator, the manager far excellence, delivered a dividend which is far beyond the expectations of the investors. Thank you very much Mr. Sumit. Number two Mr. Nitin, I find one of the most emphatic and communate Company Secretary was gone all the way to adjust with the requirements of the shareholders. Coming to observation, Mr. Mahesh Iyer, I expected you to be a better control in terms of the performance that I'm looking at. I'm talking about the four year CAGR of in sales minus 5.4%. And profit growth of 4.7%. Less I said the better I would expect you to understanding the problem the industry is very different from other industries, comparable industries. One can easily blame on the wars and the international supply chain. But four years is a long period. Thank you.

Moderator: Thank you, sir. The next registered speaker is Mr. Gautam Nanda. He's not available at this point of time sir. The next speaker is Mr. Rahul Gupta. Mr. Rahul Gupta, I request you to unmute yourself and Switch on your camera and proceed with your query. Due to technical issues, Mr. Rahul Gupta. We are not getting any input from him. So the next registered speaker is Ms. Aruna Gupta. I request Ms. Aruna Gupta to switch switch on your camera, unmute yourself and proceed with query. Speaker Aruna Gupta, please unmute yourself and proceed with your query. I request speaker Aruna Gupta to unmute us unmute and proceed with the query. we are not getting any input from Aruna Gupta. The next speaker is Tarak Nath Chakrabarti. I request Mr. Tarak Nath Chakrabarti to unmute himself, Switch on his camera and proceed with his query.

Tarak Nath Chakrabarti: Good morning, Mr. Chairman, Board of Directors, present fellow joining the VC shareholder member and our valuable company secretary and our joining us Mr. Harinder ji really very good cooperate to minority shareholder is proper time deliver all our

message and parallel our Eastern is in K FinTech madam Dipti is a very good coordinated on the standards that we are minority shareholder, there will be joining the meeting and we are collecting the speech and they are very nicely supporting and parallel. Our company is a seven year bond is new baby but to be continue minority shareholder keep trying to make a best the company paying that dividend is minority shareholder type to make it three three methods good turnover, good profitability and good dividend. But there will be continue maintain. And I have one meeting is joining Philips in their limited sir I pray that God keep health our chairman and all our board member and our company secretary and our all wishes person. And lastly, I thanks to our company secretary and Harinder ji and our joining the registered Mr. K Fin tech, All our members and standards and Madam Dipti, I wish to help and we are supporting to all time. Thank you Chairman sir.

Moderator: thank you sir. Mr. Mahesh and Mr. Amit Kumar Banerjee also registered as a speaker, but currently So, with this we have complicated the all the speaker system sir. Again, hand over back to you sir. Thank you. Thank you.

Nitin Mittal: Thank you to all the registered speakers. With this, we believe we have heard the views of all our speaker shareholders. I will now request the chairman to take over the proceedings of the meeting.

Mahesh Iyer: Thanks. Sumit quite a few questions, so my request Sumit respond to some of the questions and there is one specific which was asked to me by Mr. Puneet which I will try and answer.

Sumit Padmakar Joshi: Do you want to start with that? Chairman, Maybe I can take the other ones.

Mahesh Iyer: Sure I can combine in? I think the question that you asked about the four four year CAGR of minus four 5.4, and profit of 4.7, which you have said, that reflects not so strongly on the company. So you asked that question specifically for me. Now, I think we have to understand the dynamics of our industry in lighting, which has been not just in India, but also globally quite severely impacted because of the pandemic. So if we go back four years, at that point of time, this was our high because we had done a lot of business on the professional side, particularly on the ESL tenders, which since then have decreased in intensity. Second is during the pandemic, there was a severe hit in terms of the overall market. You heard Sumit talking about market share. And that's what we reflect on. In our opinion, the market itself shrank or decline close to about 30% in the very first year of the pandemic, and then has started going back. But having said that, even today, for the fiscal year 22-23, we still don't see it coming back to the same level of the market, as was in 2018. So we have to remember that aspect that we are still probably 10% away from that high size. Now, this is an impact not just for signify but also for all our competitors. And therefore the key metric we always look at is market share. More importantly, are we able to manage margins and cost in such a fashion that we are still able to deliver profitability, and dividend. So it is a special circumstance of the market. Indeed, I do hope that with more infrastructure money coming in for the future, we will have a more positive outlook for India, and I'm sure Signify will benefit from that. But you heard from Sumit market share is definitely increasing. That's the first question as the Chairman and Board of Directors we ask we have delivered that. The second point to them has always been in the midst of crisis, we should always ensure our shareholders REU are always when taken care of. And you have seen that because profitability is still up and a comparable group basis of 4.7%. But

also in terms of dividend we have been more than generous. So I would stop at that saying it's basically an impact of the market. And Signify has responded very well by gaining market share.

Sumit Padmakar Joshi: Thank you, Chairman. So, there are multiple questions, I will maybe club them and talk about them one by one, but before I start, Sharaf ji, Manoj ji, Puneet ji, Tarak Nath ji thank you for being interested, all the suggestions and all the questions which you have asked I will try and answer. But I also want to thank you for the support which has been coming towards us through your suggestions throughout these many years. This is something which is important for us. I mean, every time we refer to as a minority shareholder, but every shareholder for us is important shareholder because you're interested in our business. And we are committed and responsible towards delivering the results to all including minority as well as major majority shareholder. So, thank you very much for all the inputs which You have given. Just to add to what Chairman said Puneet ji, I think I also received your question and we have discussed this before, I will not belabour on this. I think there are a few things which we are in special circumstances what is extremely important for us as a company is that we continue to be there in next many years and deliver the revenue make sure that our profit and profits are delivered. And the industry when it is going through these kind of rough times I think it's important to make sure that we are doing a sustainable and profitable business. And I must thank all my colleagues in in signify that in spite of the loopy business which will normally get in professional side of the business where we did more than 1000 crores over two three years with ESL and once a streetlight is converted into led streetlight it doesn't come back for replacement for next 15 years right so I think some of the market goes away when they shift to LED. Similarly the case is with lamps so when somebody shifts to lamp, LED lamp the LED lamp lasts you for a long period of time. And therefore, the replacement demand what we used to see in our conventional time is not something which you will see during this time. Therefore, it is important for us to look at what is our market share, because we need to adapt ourselves the way the market is adapting, rather, we need to drive the market in a certain way. And therefore, you would have seen your company focusing far more on newer points focusing on on, you know, opening stores where whenever there is somebody making new homes or you know, renovating it, they have a place to go, because that is where the market is shifting when it comes to consumer side of the business. And on the professional side of the business, we are the only player who's basically pushing the whole lighting infrastructure to the connected lighting infrastructure across segments, and that is where we want to take the market to and we have seen a very, very good increase in terms of shifting the market towards that, and therefore, it is unequivocally very, very good performance when it comes to the combination of the revenue and the profitability. If you look at the whole industry, you will see that a lot of players have not only declined, but they have declined not only in revenues, but they have declined tremendously on the profitability of their organisation, you would have also seen last couple of years, we are equally aware and want to make sure that we go back to those days of you know, continue to grow go past our 2018 high. And therefore we launched our new brand equal link, because that was the PubMed popular segment where there was a gap. And that brand has done extremely well. Last year, we did around 175 crores of revenue from there, we also launched in a very, very small way into a new category of fans to make sure that we are getting the advantage of the distribution, which we have. And we are the only specialised lighting player, unlike a lot of other competitors for whom lighting is just some part of their overall business. So I think there is an attempt also to get into the newer areas. But we don't want to do that at the cost of sustainability of our business. The other thing we also need to remember is that while now conventional is much lower part of our business last year, and it's close to now 10%. But if you look at three years back in 2018, our conventional has come down more than half of what it was in 2018. Now, this is a

train which is going to decline, we know that but we still continue to be in that business. And this business is something which is getting us decent margins, but it's a declining business and therefore, we also need to keep that in mind when we are looking at our numbers. But Puneet ji, we are equally committed to make sure that this trend on revenue also reverses. And we continue and we don't do that at the expense of the profitability and sustainability of the business. But again to reiterate our market share is what we look at and we have seen our market share grow even during last one year. The other few questions which have come are the questions on capex plan. So, last year, we spent around 20 crores on the capex, we expect that we will continue to increase our Capex and continue to come up with more and more innovative products. That's what we have done. There was also a question which I got in a written on the PLI. So, while we are on that, we have also invested in production link incentive scheme which is announced by the government we put around 15 crores now not it's going to be put so it's not part of last year, but again there is an investment which is being done on the taking the benefit of what government has come up with wherein we are investing in our factory in Baroda to make newer and newer products there. So, capital investment Yes, we are doing and making sure that we are the ones who are coming up with newer and newer products. The other question which was which was asked was around you know, new products. So, there are two three areas where we are going to and we have and we will continue to invest in terms of getting our new products done. The first area clearly is that we want we believe that with LED which is a digital kind of a technology. There is a big future if we are able to move the customers and consumers and our b2b customers to the benefits of connected technology IOT technology and therefore there is investment and new products which we have launched which are in connected spaces. So we just launched a proposition called Philips Wi Fi, which is based on this platform where they Connected light points connected luminaires connected strips which homes can use, at the same time we have interact platform, which is a platform which can be used by the b2b customer. So, that is where the investment and new products are coming. We also launched basic customer consumer products, whether it is EXA downlight, where we were saying that, can we change the whole downlight scenario from just around downlight to make sure that customers start buying patterns rather than just buying one downlight and that's how the EXA downlight was launched. We also launched a Tubelight which was called Twin glow, which again, in a work from home kind of scenario where people were wanting to convert their homes into not only for for for home, but also you know, for work. So, there were two modes which were possible one to relax and one to you know, concentrate. So, these are the different level of products which we are launching, but our focus clearly will be on design on innovation on connected on your technology. Now on there was a question on female employees, we released our new sustainability programme which was called brighter lives better world 2025 I think all of us will be proud that your company is carbon neutral company in India, very few companies are carbon neutral. None in our industry. And we are of course carbon neutral globally. But after having achieved carbon neutrality, we have taken a challenge to double our impact on the society and environment. And there we are going beyond carbon footprint, but we are saying can we double our headcount on the leadership positions globally, with the diversity candidates in India as well from last year to this year, we have a very, very concerted effort to increase our diversity profile for the company. We are the most diverse company in terms of diversity as far as the industry is concerned, but we don't have that as a benchmark, because there is nobody who comes close to us when it comes to diversity in the current set of competitors or our industry, but our benchmarks are very different and we have taken the challenge to you know, double our diversity going forward already we are more than 20% diversity in the company. And we will move that to the next level In coming time. The E waste policy was another question you know, all the products which come back or which we have to collect or all the E waste which comes out of our factory, there is a clear



process in which the hazardous substance is taken care of or all the electronic items are taken care of from a US policy. So we do as much collection as possible wherever we are able to take and we also dispose that in a very, very responsible way. And we have all the audited certificates for the E waste disposals, which we which we do. Manoj Ji asked about and also made a reference to the pandemic and the way India managed it. There is no doubt that our government managed it absolutely brilliantly. But we also played our small role in that. So while at the peak of the pandemic, when they were, you know, people were wanting to pay for the lack of oxygen concentrators. There were a lot of, you know, not authentic concentrators which were being sold in the market. And unfortunately, people were making money out of it, but we invested, we got our Philips, oxygen concentrators, and we supplied them to hospitals, we supplied them to our employees, but not only to our employees, we also went to our partners and we had set the number of oxygen concentrators for our our business partners, whether its suppliers or distributors, so that in unfortunate circumstances, they were able to use it. And I'm very happy to state that by doing this, we have saved many, many lives during that pandemic, and that is what makes us you know, a different company and that's what makes me proud that our teams were out there to help the society during that time. So, we did our bit but of course, government did fantastically well. There was a question on Atma Nirbhar Bharat made in India I made a reference to that yes, we are investing in, in our facilities, but what we also have is coal makers who are exclusively working for us. So, most of our products in fact 95% plus of what we sell in India is made in India. So, we are already you know, a very very locally local for local kind of company. There are component ecosystem which still comes from from other parts of the world, but as an industry and government is now moving with a semiconductor localization and hopefully when that comes through the lot of components, which we currently have to import because of unavailability locally and hopefully would also start coming from local sources. So we are pretty much hopeful we are in fact partnering with companies to take the first step in actually localising that part as well about competition you spoke about few I won't I don't want to name but I think every competitor is important and we look at it small or big with with the seriousness and as I said that whatever is required to be done to tackle different segments different competition in different geographies is something which we keep doing. You also made a reference to airports, Metro, railway etc I think we have a big business there ,most of our if you come to Delhi most of the DMRC would be would have been done by us you go to Bangalore, Chennai, Calcutta. So, there are a lot of metros projects, which we have done a lot of airport projects across a big airports are done by us. And of course, a lot of railway stations and we keep sharing that through our social media have a lot of railway stations being led by us. And on the Independence Day, a lot of them turned into tricolour, you know, facade, because of the new products which we have sold to them. But yes, these are the places which will grow. And we are doing our bit to make sure that we have product pipeline as well as good customer connect to win these contracts In coming time. CSR, you said Calcutta, I think the way we look at our CSR is where the where it is required the most. Right so there is a lot of CSR, which we are doing in the north northeast part of India, and of course, some part of Calcutta as well. But it is not dependent on particular geography, but it's much more dependent on the communities which are under served. But this is something Yes, Calcutta is our corporate, you know, address. And we will continue to do our best in terms of also supporting communities there through our CSR programmes. There was a suggestion on email id for investor relations. So I think it's a welcome suggestion. So if you are finding it difficult to get responses from K Fin, then maybe secretariat will take take care of that. Hospital lights, yeah, there are a few businesses, which are pretty niche businesses requires a different level of, you know, capabilities. So one of the things which we always do is that make sure that when we are investing in something, there is a reason for us to when we have so when we get in there, so hospital lights, we have come out of it. I won't say

that we will immediately look at this going forward. But I'm taking this suggestion and we will evaluate. I think with that there were some questions which had come on email, I won't take a lot of them. There is again, a question on, do we are we going to list our company as every year? We say that whenever there is a need for us to raise funds at that point in time, we will look at it but I don't think there is any current, you know, possibility or opportunity chairman to you know, from that standpoint, booster dose? Yes, I think during all the, we made it available for our employees. Now, I think third booster dose is available very, very easily for anyone. And thank you for your concern, to we all of us have taken our booster doses and we encourage all our employees partners, distributors to take that because definitely that's a shield which we have. I think most of the questions have been covered there was a question on do we provide health insurance ,Accident Insurance, maternity benefits, paternity benefits and daycare facilities? Yes, in factories as well as in our offices, employees have been provided with such facilities across so we do that future plans okay. So, future plans you know, as you know, we are you know, without putting any other company we are more than double the size of a lot of lighting companies right. And I always start when when whenever we are speaking to our customers or employees, I say that we are the second biggest light source on Earth. The first is sun, right and maybe we are the biggest light source when the sunsets Now what that means clearly is that we are the biggest lighting company and therefore, we also carry the responsibility of where the industry needs to go. And we took the first steps to cannibalise ourselves by moving to LED. And we did that very, very well. Very few examples where such a big technology shift has happened and the leader continued to be leader not only continue to be leader but also improved our profitability and market share. So we have first taken the industry to the LED revolution, we believe that the revolution the next revolution is clearly making the whole ecosystem connected. So our endeavour will be to push the whole industry towards that. Currently, it's a small element, but it's growing rapidly and we have a very, very decisive advantage in that area. So, we will continue to do that we also the competitive intensity is up in conventional days there used to be 10 competitors today there are 400 competitors. So we have our own strategies we have now the second brand with us. So very clearly In coming time we will not only grow Philips but we will also make sure that the equalling brand How can we take that and double that already this year, hopefully we will grow that to a significant extent. So there will be a plan to push that. The third one as I said that our industry is or the winner in the industry will be the one who's able to manage the new points in the business and that is where the whole smart homes strategy comes in. We are at 225 stores now, we have a very very steep target to make sure that this unorganised market which which is there, how can we convert that unorganised market into organised market and push that push that need needle and I think that strategy is working extremely well for us both from profitability as well as revenue growth standpoint. So we'll continue to push that as well. Conventional, we believe that yes, it is going to be the declining business. And we also have an asset which is currently being used for conventional, we also export our products of conventional to the outside world. And we have seen that across the world, the conventional products are coming down. And today whatever is happening with Ukraine, Russia crisis with energy prices going up everywhere, it definitely is going to have an impact on shifting conventional to LED. So we are also looking at can we play the role in terms of exporting LED products out? And we are thinking about what can we do to make sure that the whole advantage which we had on conventional, how are we able to move that to LED and also supply some of our markets outside India. So that is something which we'll look at that would mean that we will invest in our own capacities in making sure that the new products are being made, or to the quality standard. So that's another one we will continue to continue to focus on. So to summarise our future plans to be very clear, very simple, we will focus on innovation, we will focus on making the industry to do connected, we will continue to grow our footprint. Now that is both



in terms of the brand as well as distribution, both in professional and consumer part of the business. And all of that is on the bedrock of sustainability, which is what we walk the talk and we will continue to make sure that that also is not only the behaviour, but that is also going to drive a lot of business with a lot of corporations, we being the most sustainable, you know supplier to them. So in nutshell, that is what we will continue to do that I think.

Mahesh Iyer: Thank you so much for sharing your views. I think it's a lot of very, very good questions from the shareholders. And I'm glad we have taken our time to address them. So once again, thank you for sharing your views. I trust that all your questions have been answered. This concludes the formal business meeting. I thank you and declare the meeting as closed. I again request the members who have not cast their votes through remote E-voting to do so by availing the E-voting system which is still available for the next 15 minutes. The results of the E-voting as well as for the electronic voting than at the AGM today shall be reported by Dr. Chatopadhyay himself or through his authorised representative in the prescribed manner no later than 4pm on 24th September 2022. Furthermore, I authorise the company secretary to declare the results of the voting at 5pm on 24th September 2022. The results will be updated on the website of the company in due course. The same would be duly recorded as part of the proceedings of the AGM. I once again, thank you all for your support. Thank you. Thank you. Thank you.

Nitin Mittal: So Moderator, We can close the meeting.